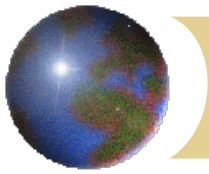


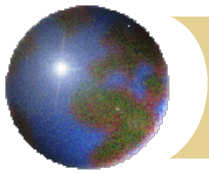
# *The War Against Cash*

Free Market Road Show  
Sweden, April 2024



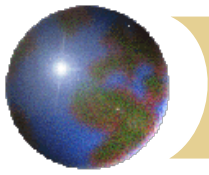
# *Governments Don't Like Cash*

- ✚ Why is there hostility to cash by governments (and fans of government)?
  - ❏ Politicians and bureaucrats think the existence of cash makes it harder to collect taxes.
  - ❏ Politicians and bureaucrats think the existence of cash makes it harder to impose Keynesian monetary policy.



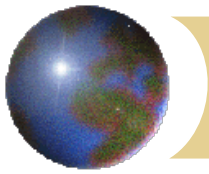
## *From the Financial Times*

- ✿ "...cash favours anonymous and often illicit activity; its abolition would make life easier for a government set on squeezing the informal economy out of existence. ...Value added tax, for example, could be automatically levied."



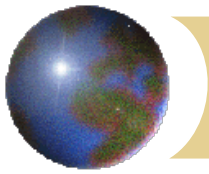
## *From CoinTelegraph*

- ✚ "As the only proponent of Keynesian economics in the Council of Economic Experts, Bofinger explained in the interview that abolishing cash would make it much easier for central banks to control payments and enforce its monetary policy."



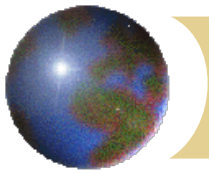
## *Kenneth Rogoff, in the FT*

- ✚ "Getting rid of physical currency and replacing it with electronic money would...eliminate the zero bound on policy interest rates that has handcuffed central banks since the financial crisis. At present, if central banks try setting rates too far below zero, people will start bailing out into cash."



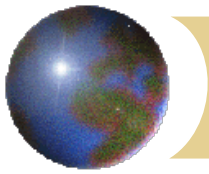
## *Citi's William Buiter in Bloomberg*

- ✚ "Why have your money on deposit at a negative rate that reduces your wealth when you can have it in cash and suffer no reduction? Cash therefore gives people an easy and effective way of avoiding negative nominal rates. ...Buiter's solution...is to abolish cash altogether."



## *BoE Chief Economist*

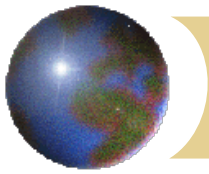
- ✚ "Bank of England chief economist Andrew Haldane's call for a 4pc inflation target, as well as his desire to abolish cash, embrace a purely electronic currency and thus make it easier for the Bank to impose substantially negative interest rates."



## *Kenneth Rogoff, in the WSJ*

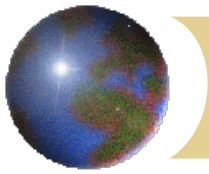
- ✦ "...paper currency lies at the heart of some of today's most intractable public-finance and monetary problems. ...large notes...facilitates crime: racketeering, extortion, money laundering, drug and human trafficking, the corruption of public officials, not to mention terrorism."





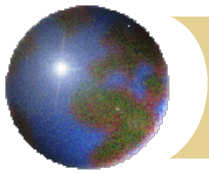
## *Catherine Rampell, in the W. Post*

- ✚ "DeSantis...appears to be invoking conspiracy theories that the left wants to eliminate physical cash... The Fed would then use that surveillance to control everyone's lives, specifically to undermine the Second Amendment. ...this is all so paranoid and untethered to reality that it's almost like financial fan fiction."



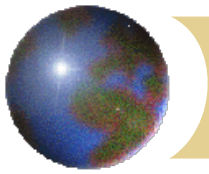
## *Now for the Skeptics*

- ✿ Based on sound economic policy.
  - ❏ Keynesian monetary policy is a bad idea
  - ❏ Realism on crime/taxes
- ✿ Based on real-world concerns of abuse.
  - ❏ Operation choke point
  - ❏ China's social credit regime
  - ❏ AML and KYC
  - ❏ Canadian protests



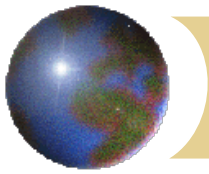
## *WSJ Editorial*

- ✿ "Are Japan and Switzerland havens for terrorists and drug lords? High-denomination bills are in high demand in both places... Yet the two countries boast some of the lowest crime rates in the world. ...cash is a basic tool of economic liberty"



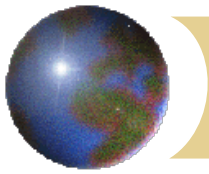
## *Sarah Jeong, in Bloomberg*

✚ "...the cashless society offers the government entirely new forms of coercion, surveillance, and censorship. ...financial censorship could become pervasive, unbarred by any meaningful legal rights or guarantees."



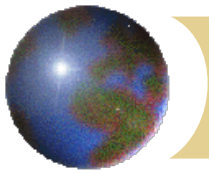
## *Prof. Glenn Reynolds, USA Today*

- ✿ "Governments want to get rid of cash... Why give them still more control over the economy? ...Cash has a lot of virtues. ...it allows people to engage in voluntary transactions without...permission of anyone else. Governments call this suspicious, but the rest of us call it something else: Freedom."



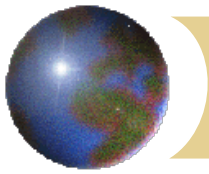
## *From Scott Shay, for CNBC*

✚ "...we are well on the road to becoming a cashless society. ...there is...a sinister risk...a cashless society would certainly give governments unprecedented access to information and power over citizens."



## *Jim Leaviss, for the Telegraph*

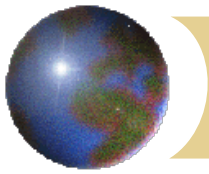
✚ “negative interest rates already exist ...it’s easy for individuals to avoid seeing their money eroded this way – they can simply hold banknotes... But if notes and coins were abolished and the only way to hold money was through a government-controlled bank, there would be no escape.”



## *Steve Forbes*

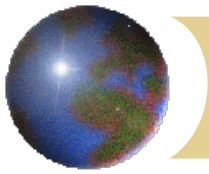
- ✚ "The real reason for this war on cash...is an ugly power grab by Big Government. People will have less privacy: ...easier for Big Brother to see what we're doing, thereby making it simpler to bar activities it doesn't like, such as purchasing salt, sugar, big bottles of soda and Big Macs"





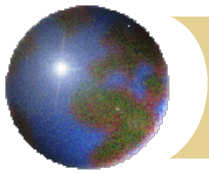
## *Kevin Williamson, in NR*

- ✚ “Using financial regulation to crush freedom of speech isn’t financial regulation — it is crushing freedom of speech... The opportunities for mischief are serious and worrisome — and so are the opportunities for tyranny.”



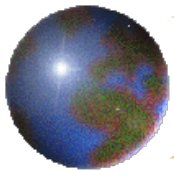
## *Larry White, for Cato*

- ✿ "Coercive anti-cash policies...impose an unlegislated tax on money holders... They harm the livelihood of small businesspeople who rely on cash sales, particularly those serving the unbanked...and reduce the welfare of their (mostly poor) customers by raising transaction costs."



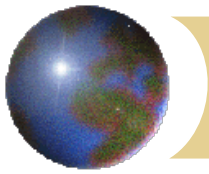
## *Brad Polumbo, for FEE*

- ✦ "...a central bank digital currency would allow the government to track your every purchase. It could also be easily used to restrict purchases. ...If any of this sounds extreme, fantastical, or otherwise far-fetched... well, just look at China."



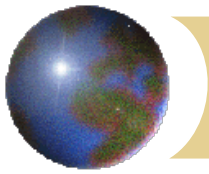
## *Megan McArdle, in the W. Post*

✚ “What’s not to like? ...the amount of power that this gives the government over its citizens. ...at a word, your money could simply vanish. ...Unmonitored resources like cash...create a sort of cushion between ordinary people and a government with extraordinary powers.”



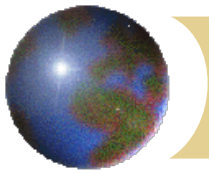
## *Matthew Lynn, in the Telegraph*

✚ "...cash is about freedom. ...You don't need to be a fully paid-up libertarian to question whether...we really want the banks and the state to know every single detail of what we are spending our money on and where."



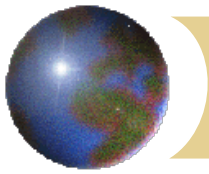
## *Ryan Mckaken, Mises Institute*

- ✚ "...the elimination of physical cash makes it easier for the state to keep track of private persons, and...the elimination of physical cash would be to more easily control people and potential dissidents through the freezing of their bank accounts."



## *Yahoo Column*

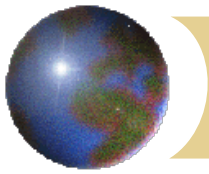
- ❖ “Cash also has the added benefit of providing emergency reserves for people “with unstable exchange rates, repressive governments, capital controls or a history of banking collapses,” as the *Financial Times* noted.”



## *Elaine Ou, in Bloomberg*

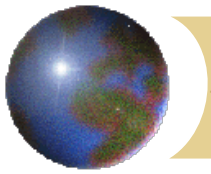
- ✿ "...attempts to curb money laundering have already inadvertently cut off financial services for legitimate individuals, businesses, and charities. The removal of paper currency would undoubtedly leave similar collateral damage. ...the government can impose a tax on savings in the name of monetary policy."





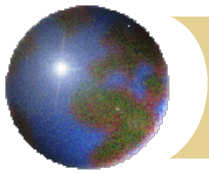
## *Wall Street Journal Editorial*

- ✚ "Politicians and central bankers fear that holders of currency could undermine their brave new monetary world of negative interest rates. ...Negative rates are a tax on deposits with banks... But that goal will be undermined if citizens hoard cash. ...So, presto, ban cash."



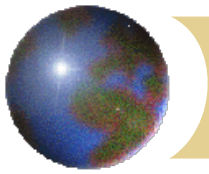
## *Mike Konrad, American Thinker*

- ✚ "hacking will shoot up. Bank fraud will skyrocket. ...The real purpose of a cashless society will be total control: Absolute Total Control. ...From cradle to grave one will not only be tracked in location, but on purchases. ...Fascism with a friendly face."



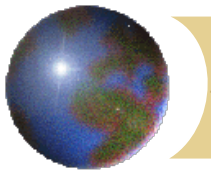
## *Burke Files, Anti-Corruption Inst.*

- ✚ "After more than 25 years of investigating fraudsters...in more than 90 countries, ...only in the extreme minority of cases was cash ever used... A vast majority of the funds moved involved bank wires, or the purchase and sale of valuable items such as art, antiquities, vessels or jewellery."



## *From MoneyWeek*

- ✚ “Without...physical cash, we are all 100% dependent on the state-controlled digital world... Worse, ...if you have to pay for everything digitally, every transaction you ever make (and your location when you make it) will be on record. Forever. That’s real repression.”



# *Conclusion*

## ✚ For more info

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✚ [www.freedomandprosperity.org](http://www.freedomandprosperity.org)

✚ [www.danieljmitchell.wordpress.com](http://www.danieljmitchell.wordpress.com)

✚ [www.youtube.com/afq2007](http://www.youtube.com/afq2007)

✚ [@danieljmitchell](https://twitter.com/danieljmitchell)